

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

13-002-O

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PROPERTY IN
CANAL PARK TO OLD CITY HALL, LLC FOR \$300,000.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That pursuant to Section 2-176 of the Duluth City Code, 1959, as amended (the Code), the city council finds that:

(a) The manager of the city's physical planning division has reviewed this proposed conveyance and found conveyance thereof to be in conformity with the city's comprehensive land use plan;

(b) The city assessor has provided an estimate of the market value of the property in the amount of \$200,000;

(c) The property described in Section 2 below is hereby determined to be surplus to the city's future needs and is therefore appropriate for sale;

Section 2. That as provided for in section 2-177.2 of the Code, the property described in Section 3 below was advertised in the Duluth News Tribune during the 30 days prior to being offered at public auction on October 5, 2012, at which auction Old City Hall, LLC bid \$300,000 for the property which was the highest bid.

Section 3. That the proper city officials are hereby authorized to sell and convey the following described property in St. Louis County, Minnesota, by quit claim deed, to Old City Hall, LLC., a Minnesota limited liability company, for the amount of \$300,000 to be deposited into Fund 110 (General), Agency 700 (Transfers and Other Functions), Organization 1420 (Capital Programs), Object 4640 (Sale of Land), and further to execute all documents necessary with regard to said conveyance:

That part of Lots 30 and 31, Block 1, INDUSTRIAL DIVISION OF DULUTH, according the recorded plat thereof, St. Louis County, Minnesota, described as follows:

Commencing at the Southwest corner of said Lot 30; thence on an assumed bearing of North 15 degrees 55 minutes 39 seconds West, along the Southwest line of said Block 1, a distance of 25.63 feet; thence North 15 degrees 55 minutes 39 seconds West, along said

Southwest line of Block 1, a distance of 50.00 feet; thence North 75 degrees 01 minutes 17 seconds East, a distance of 42.65 feet to the point of beginning of the property to be described; thence North 75 degrees 01 minutes 17 seconds East, a distance of 85.07 feet; thence South 14 degrees 58 minutes 43 seconds East, a distance of 8.47 feet; thence North 75 degrees 01 minutes 17 seconds East, a distance of 10.71 feet; thence South 14 degrees 58 minutes 43 seconds East, a distance of 13.88 feet; thence North 75 degrees 01 minutes 17 seconds East, a distance of 11.52 feet; thence South 14 degrees 58 minutes 43 seconds East, a distance of 27.65 feet; thence South 75 degrees 01 minutes 43 seconds West, a distance of 130.11 feet; thence North 10 degrees 58 minutes 48 seconds West, a distance of 24.77 feet; thence North 24 degrees 50 minutes 11 seconds East a distance of 32.92 feet to the point of beginning and there terminating.

Section 4. That this ordinance shall be null and void if the closing of closing of this transaction does not take place on or before April 1, 2013.

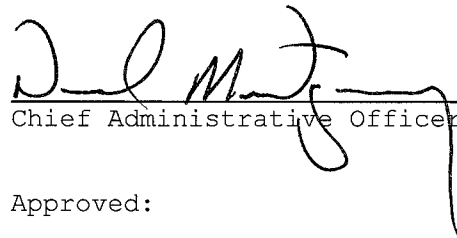
Section 5. That this ordinance shall take effect 30 days after its passage and publication.

Approved:



Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

BD CE:SEW:le 01/04/2013

STATEMENT OF PURPOSE: The purpose of this ordinance is to authorize the sale and conveyance of property at 100 Lake Place Drive in Canal Park (the Endion Station) to Old City Hall, LLC, for \$300,000.

The property to be sold was advertised in the Duluth News Tribune and on the City's website and offered at public auction on October 5, 2012. The buyer presented the highest bid which meets the minimum bid price and plans to renovate the Endion Station for commercial use.

Tax base impact statement: The transaction will result in property which is presently tax exempt going back on the tax rolls. It is anticipated that it will generate approximately \$1,658 in 2013 taxes, payable in 2014.